



INTEGRATED VOICESYS CORPORATION

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FCC MAIL ROOM

William F. Caton
Office of the Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

Re: Comments on Proposed Rulemaking on Rules for Auctioning the Remaining
Broadband PCS Licenses (WT Docket 96-59, GN Docket 90-314)

Dear Mr. Caton:

As a participant in the C block auction that is currently in progress, we wish to make our views known regarding the FCC Notice of Proposed Rulemaking.

While the intent of Congress was to help small businesses enter the wireless market, the current C block auctions do not fairly represent "small business" in the true sense of the word. Unless there are substantial changes in the upcoming auctions the outcome will no doubt be the same. We do not pretend to offer the perfect solution to the current problem. However, we do believe that without providing investment incentives that will allow a small firm to be competitive, small business will not be represented in this unique opportunity. The inability to distinguish truly small companies from firms that are supported by major players presents an enormous barrier to market entry for the small businesses.

A major problem for small companies looking to enter the next auction is the fact that the rules have not yet been published. Without published rules, small companies are unable to have meaningful discussions regarding this opportunity with potential investors. Only the firms that are well connected financially will be able to react to this opportunity in a very short period of time.

In order to truly assess the appropriate changes that need to be made for the upcoming auction, the companies that initially indicated a willingness to participate in the C block auction by filing a short form would be the best people to assist in changes for the upcoming auction. However, the current rules prohibit participants in the current auction from discussing issues relative to

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the outcome of the current auction. If additional time were allocated to crafting the rules for small companies, we would be more likely to have a better representation of such companies. While we recognize many large companies are anxious to have the next set of auctions take place, those interests do not necessarily serve small businesses.

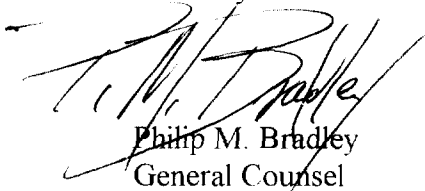
We are being asked to define the rules of the next auction while the current auction has not ended. Additionally, we have not had the opportunity to assess the C block implications. We fully expect the FCC to conduct an after-action seminar with the C block winners. The same type of activity should be held with all the companies that previously filed a short form. Only with this type of forum will other small businesses truly have the opportunity to address the issues and concerns that have surfaced during the current auction.

Chairman Hundt has on several occasions recently expressed his concern over the prices of the C block auction in relation to the previous auction. Just as Chairman Hundt is concerned about the C block prices, potential F block investors are equally concerned that small companies will not have a real opportunity.

Our other point, while not a part of the upcoming rules, that we would like to make is to allow the A and B block companies to partition their licenses to truly small businesses without additional FCC guidance. The A and B companies have paid for their licenses and have expressed a willingness to work with small companies to enter certain segments of the market. However, the current rules prohibit this from happening with the exception to rural telephone companies operating within their geographic region. We believe that in light of the current C block auctions, the FCC should reconsider this barrier to market entry which prohibits small businesses from participating with A and B companies. We also believe this will also speed the delivery of services to the smaller communities that could conceivably be under-served.

Integrated Voice Sys has brought these concerns to the attention of the FCC as party of a petition for Reconsideration filed August 21, 1995. We believed then and we believe now that the intent of Congress was to provide opportunities for small companies to participate in this new opportunity. It has now become apparent that the provision for small companies has not been well served. It should be apparent by now that smaller businesses are willing to pay more to enter the market but the rules need to be revised to level the playing field to allow for some participation by small firms.

Sincerely

A handwritten signature in dark ink, appearing to read "Philip M. Bradley", is written over a printed name and title. The signature is fluid and cursive, with a large initial "P" and "B".

Philip M. Bradley
General Counsel